## LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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## FISCAL IMPACT STATEMENT

LS 6943 NOTE PREPARED: Jan 8, 2014

BILL NUMBER: HB 1121 BILL AMENDED:

**SUBJECT:** Administrative Adjudication.

FIRST AUTHOR: Rep. Koch BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

 $\begin{array}{cc} \underline{X} & DEDICATED \\ \underline{X} & FEDERAL \end{array}$ 

<u>Summary of Legislation:</u> This bill authorizes an agency to share an administrative law judge with another agency. It requires an agency to adopt rules establishing a code of judicial conduct for administrative law judges. The bill also requires that an administrative law judge who is not the ultimate authority or a member of the ultimate authority must be an attorney licensed to practice law in Indiana.

The bill prohibits the ultimate authority from communicating with certain persons, including: (1) a party; (2) a person with an interest in the outcome; or (3) a person who presided at an earlier stage of the proceeding; concerning a matter pending before or adjudicated by an administrative law judge if there is a reasonable likelihood that the ultimate authority will be called upon to review or issue a final order with respect to the matter.

The bill specifies when a party has standing to obtain judicial review of an agency action. It requires that an agency's rulemaking docket must contain certain additional information.

Effective Date: July 1, 2014.

**Explanation of State Expenditures:** The ability to share an administrative law judge among state agencies may reduce the agency's expenditures and provide a greater pool of administrative law judges that can be utilized. The requirement that the administrative law judge be an attorney may increase the amount paid for administrative law judges. The savings and additional expense are probably minor.

The requirement that an agency adopt rules establishing a code of judicial conduct for administrative law judges should have minor fiscal impact.

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## **Explanation of State Revenues:**

**Explanation of Local Expenditures:** 

**Explanation of Local Revenues:** 

State Agencies Affected: Agencies that use administrative law judges.

**Local Agencies Affected:** 

**Information Sources:** 

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